

PRESS RELEASE

Half-year results

Deufol SE: Results for the first half of 2024

Hofheim am Taunus, 29 August 2024

Half-year results – sales growth, new locations and expansion of strategic partnerships

The Deufol Group made an expansive start to the first half of 2024 and opened new branches in Opole, Poland, and Brno, Czech Republic. Deufol is thus strengthening its presence in southern Poland and southern Moravia and expanding its strategic end-2-end hub network. Thanks to their strategic location, the new sites offer optimal conditions for offering customers comprehensive logistics services using digital solutions, ensuring efficient and flexible handling for a wide range of logistics and transport requirements and reducing transport.

The expansion of the Deufol Group's activities in the new business segment of project logistics is being driven forward by the acquisition of Deufol Doehle Projects Ltd. in Bangkok, Thailand. The acquisition of this company is directly related to the joint venture between the Deufol Group and Menzell Döhle launched at the end of last year and underlines Deufol's strategic goal of strengthening its position as a leading end-2-end logistics provider in the field of project logistics and heavy goods industry through global expansion.

The Deufol Group achieved the following results for the first half of 2024:

- **Sales € 154.7 million (previous year: € 143.9 million)**
- **EBITDA € 17.0 million (previous year € 27.8 million, adjusted for a one-off effect from a settlement agreement € 17.8 million)**
- **EBIT € 6.1 million (previous year € 17.9 million, adjusted for a one-off effect from a settlement agreement € 7.9 million)**
- **Net result € 2.3 million (previous year € 12.6 million, adjusted for a one-off effect from a settlement agreement € 2.6 million)**

Positive sales development with a slight decline in earnings from operating activities

At € 154.7 million, sales in the first half of 2024 were 7.5% or € 10.7 million higher than in the same period of the previous year.

The operating result (EBIT) in the reporting period amounted to € 6.1 million and was therefore below the previous year's figure of € 17.9 million (€ 7.9 million excluding a one-off effect from a settlement agreement).

Personnel expenses and other operating expenses, in particular rental and leasing expenses, recorded an increase both in absolute terms and in relation to sales revenue. This is due on the one hand to inflation-related wage and salary increases and cost increases, and on the other hand to the expansion of new and existing hub locations by renting additional space and building up the infrastructure required for management, including the necessary personnel. In contrast, the cost of materials remained almost unchanged compared to the same period of the previous year, meaning that the cost of materials ratio once again fell significantly.

Net income for the period totalled € 2.3 million, compared to € 12.6 million (€ 2.6 million excluding one-off effect) in the same period of the previous year. After deducting the profit attributable to non-controlling interests, the net profit attributable to the shareholders of Deufol SE amounted to € 1.9 million, compared to € 12.2 million (€ 2.2 million excluding one-off effect) in the previous year. Earnings per share totalled € 0.046 in the first six months (previous year: € 0.283).

Development of Cash Flow and Balance Sheet Structure

The Deufol Group's cash flow from operating activities totalled € 14.8 million in the period under review (previous year: € 19.4 million). Cash and cash equivalents remained virtually unchanged compared to the end of the year 2023 at € 14.8 million. Total assets as of 30 June 2024 increased by € 5.5 million compared to the end of 2023 to € 277.1 million. Equity decreased mainly due to the resolved dividend of € -4.2 million, whereas net income for the period of € 2.3 million had an opposite effect; the equity ratio amounted to 45.7%.

Net financial debt (excluding lease liabilities in accordance with IFRS 16) increased slightly compared to the previous year from € 30.3 million to € 31.1 million.

The first six months of 2024 at a glance

Figures in € k	6m 2024	30.06.2024	6m 2023	30.06.2023
Sales	154,684		143,938	
EBITDA	16,976		27,827	
EBIT	6,142		17,870	
EBT	3,274		15,503	
EAT	2,257		12,611	
thereof non-controlling interests	322		431	
thereof shareholders Deufol SE	1,935		12,180	
Earnings per share (€)	0.046		0.283	
Operating cash flow	14,825		19,378	
Cash flow from investing activities	-3,027		-1,913	
Net financial debt		73,297		64,297
Net financial debt (excluding lease liabilities in accordance with IFRS 16)		31,065		30,335
Equity ratio (%)		45.7		48.3
Employees (average)		2,334		2,157

Continued sales growth in times of challenging economic conditions

The inflation rates, which have now fallen, particularly due to the price-dampening effects of energy commodities, have not yet been evenly reflected on the customer and supplier side. In particular, the rise in wage levels in Europe and the associated increase in personnel expenses as well as price increases in the service sector due to higher wages for temporary workers, subcontractors and service providers have only been partially offset by higher sales. The demographically induced shortage of supply on the labour market, which is reflected in a general shortage of skilled workers in Germany in particular, will remain a challenge for the Deufol Group.

The ongoing geopolitical crises with the wars in Ukraine and the Middle East have no direct impact on the Deufol Group's business activities; the indirect effects due to customers' supply relationships also remain manageable. Nevertheless, the global economic consequences of the persistently high price and interest rate levels and the ongoing global political uncertainties remain difficult and continue to have a dampening effect on the economy.

Despite this challenging environment, particularly for the German economy, the Deufol Group believes it is well positioned. In addition to the potential created by the new locations, the new joint venture company focussing on the Asian region also opens up opportunities to set new standards for the sector in project logistics in mechanical and plant engineering and the heavy goods industry. In conjunction with the established inland locations and the increasing range of services offered as part of the hub strategy, supplemented by the ongoing development of innovative and digital solutions to increase efficiency and sustainability in their customers' value chains, Deufol expects to steadily expand its market share and a positive development of earnings in the near future.

For the second half of 2024, the Deufol Group expects continued successful corporate development and confirms its planning published in the 2023 Annual Financial Report, which envisages sales of around € 295 million to € 320 million and EBIT from operating activities of between € 12 million and € 18 million for 2024 as a whole.

The interim report is available at <http://www.deufol.com>.

About the Deufol Group:

The Deufol Group is a globally active group of companies and is one of the leading providers of packaging and digitally supported supply chain solutions in the heavy goods industry. With many years of experience and comprehensive expertise, the Deufol Group offers its customers tailor-made physical and digital solutions to optimise and sustainably design their supply chains.

With a global network in Europe, North America and Asia, Deufol offers customised services for various industries. The group is committed to sustainability and integrates environmentally friendly practices into its packaging and logistics operations. As a customer-focused organisation, Deufol plays a crucial role in shaping the future of packaging and logistics in mechanical and plant engineering and heavy-duty logistics on an international level.

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